

## § 203.7

p. 752), and the regulations issued thereunder at 41 CFR parts 60–250 and 61–250, requiring Federal contractors to take affirmative action to employ and advance in employment qualified special disabled veterans and Vietnam-era veterans.

### § 203.7 Termination of agreement or change of election or option.

(a) *Termination by Treasury.* The Secretary may terminate the agreement of a TT&L depository at any time upon notice to that effect to that depository, effective on the date set forth in the notice.

(b) *Termination or change of election or option by the depository.* A TT&L depository may terminate its depository agreement, or change its option or election, consistent with this part and the procedural instructions, by prior written notice to the TSC.

### § 203.8 Application of part and procedural instructions.

The terms of this part and the procedural instructions issued pursuant to this part will be binding on financial institutions that process Federal tax payments or maintain a TT&L account, TIP main account balance, SDI account balance, or a TIO account balance under this part. By accepting or originating Federal tax payments, the financial institution agrees to be bound by this part and by procedural instructions issued pursuant to this part.

## Subpart B—Electronic Federal Tax Payments

### § 203.9 Scope of the subpart.

This subpart prescribes the rules that financial institutions must follow when they process electronic Federal tax payment transactions. A financial institution is not required to be designated as a TT&L depository in order to process electronic Federal tax payments. In addition, a financial institution does not become a TT&L depository by processing electronic Federal tax payments under this subpart and may not represent itself as a TT&L depository because it does so.

## 31 CFR Ch. II (7–1–08 Edition)

### § 203.10 Electronic payment methods.

(a) *General.* Electronic payment methods for Federal tax payments available under this subpart include ACH debit entries, ACH credit entries, and same-day payments.

(b) *Conditions to making an electronic payment.* This part does not affect the authority of financial institutions to enter into contracts with their customers regarding the terms and conditions for processing payments, as long as the terms and conditions of those contracts are not inconsistent with this part and with any laws that apply to the particular transactions.

(c) *Payment of interest for time value of funds held.* Treasury will not pay interest on any payment that a financial institution erroneously originates and that subsequently is refunded.

### § 203.11 Same-day reporting and payment mechanisms.

(a) *General.* A financial institution or its authorized correspondent may initiate same-day reporting and payment transactions on behalf of taxpayers. A same-day payment must be received by the FRB by the deadline established by Treasury in the procedural instructions.

(b) *Fedwire® non-value transaction.* By initiating a Fedwire® non-value transaction, a financial institution authorizes the TSC to debit its reserve account for the amount of the Federal tax payment specified in the transaction.

(1) For an investor or retainer depository using a Fedwire® non-value transaction, the TSC will credit the Federal tax payment amount, up to the depository's available TIP main account balance capacity, to the depository's TIP main account balance on the day of the transaction. Throughout the course of the day, the TSC will debit from the depository's reserve account, and credit to the TGA, any portion of a tax payment amount that would exceed the institution's available TIP main account balance capacity.

(2) For a collector depository or a non-TT&L depository financial institution using a Fedwire® non-value transaction, the TSC will debit the financial institution's reserve account for the